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Daily Report

Sub-Saharan Africa

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Daily Report

Sub-Saharan Africa

FBIS-AFR-90-051

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SADCC Survey: Decline in Traffic Through RSA

*MB1003081590 Lusaka Domestic Service in English
0500 GMT 10 Mar 90*

[Text] Airlines belonging to the Southern African Development Coordination Conference [SADCC] region are reported to have stepped up flight connections that avoid destinations to [the Republic of] South Africa [RSA]. The latest regional economic survey says the number of inter-SADCC connections have more than doubled in the past (?two) years, with Lilongwe and Mbabane [as heard] exceeding 50 percent, while Gaborone, and Kitwe and Lusaka experienced increases of less than one-third.

The survey notes that traffic to and from Johannesburg declined from 3,260 to 2,115 passengers a week, representing a drop of four percent, while the average number of passengers a week transported by SADCC carriers grew by nine percent.

Although Johannesburg continues to dominate civil aviation traffic (?flows) for the region, Harare is gaining importance as the regional center in the air network, followed by Lusaka and Lilongwe.

Airport Emergency Planning Workshop Begins 13 Mar

*AB1303223090 Dakar PANA in English 1612 GMT
13 Mar 90*

[Text] Yaounde, 13 March (CAMNEWS/PANA)—The second workshop on the planning of emergency measures in airports in West and Central Africa has begun in Douala.

Officials of some 20 countries, taking part in the five-day meeting which began on Tuesday [13 March], are exchanging views on emergency measures to be taken during possible crisis at the airports.

During the meeting, a model crisis will be staged at the airport in Douala, Cameroon, to practically demonstrate ways to react [to] and solve emerging problems.

Officials of the African air transport organisations are also taking part in the meeting organised by the International Civil Aviation Organisation based in Montreal. Its African regional office is in Nairobi.

Reportage on African Parliaments Union Conference

WA1503124590

For reportage on the 13th conference of the African Parliaments Union held in Cairo, see the Egypt section of the 15 March and subsequent issues of the Near East & South Asia DAILY REPORT.

Burundi**President Buyoya Speaks Against Multiparty System***EA1403195290 Burundi Domestic Service in French
1100 GMT 14 Mar 90*

[Excerpts] In this news bulletin, we go back to the meeting held yesterday between Major Pierre Buyoya, president of the Republic, and employees of the three social ministries—the Ministries of Labor and Professional Training, of Social Affairs, and of Civil Service. Ideas and suggestions emerged from the debate which followed a communication made by the head of state, talks which are summarized here by our colleague Stanislas Ndaishimi:

[Ndaishimi] The talks were very thorough and touched on many issues, political, economic, and social. On one issue, with which the talks opened and which concerned measures taken by the government aimed at solving the socio-economic problems caused by the structural adjustment program, the SAP, President Buyoya first of all indicated that the SAP was not at all responsible for the economic difficulties which we are experiencing.

The SAP was a timely choice, a program which came at the right time. When it was implemented in 1986, the country, had at its disposal only enough foreign currency to cover one month of imports. The SAP is thus a necessary evil. Of course, it has negative side-effects, but it also has positive effects. The government makes all efforts to reduce the negative side-effects. [passage omitted]

That, then, was yesterday at the Kigobe Congress Palace. Other political issues were raised concerning: the length of the current provisional period in our country in preparation for setting up higher state institutions; the introduction of a multiparty system in our country; the cases of those who were involved in the Ntega and Marangara disturbances in (?1988) and of those who prepared the destabilization in March 1989 [as heard]—who are now in the hands of justice; and communal elections.

The answers given by the head of state were very clear. First, on [words indistinct] the Military Committee for National Salvation [words indistinct] representative President Buyoya indicated that (?it was) a military committee, it is clear that it was a military committee. Regarding the provisional period we are experiencing one must understand that it is in order to set up higher state institutions to be held in an orderly [words indistinct] definitive.

On a multiparty system, an idea currently in fashion, the president of the Republic said with justification: This was a well-known thing in Burundi. We all know where it led us at the beginning of the (?1960's)—to regionalism and all forms of division, and by raising the issue, do we not risk lapsing back into the same mistakes [word indistinct] restore the multiparty system. It is then clear for President Buyoya that all Burundians should rather gather within the Uprona [National Unity and Progress] party. Our choice is democracy within a single party. Those are President Buyoya's own words.

Moreover, President Buyoya's view coincides with political [words indistinct] of Western Europe who championed the idea of a necessary political stability in African countries by the establishment of a one-party system. He thinks that as soon as a multiparty system is planned, there would be one party for each tribe. He adds that African countries are divided not by ideologies but by ethnic divisions. The introduction of a multiparty system in our country thus depends only on the development of the outlook of Burundians. In any case, we can always imagine its effects. [passage omitted]

Equatorial Guinea**OAS Grants Country 'Permanent Observer Status'***AB1403090690 Malabo Domestic Service in Spanish
2100 GMT 9 Mar 90*

[Text] Equatorial Guinea, the only Spanish-speaking country on the African Continent, will henceforth have permanent observer status within the Organization of American States, OAS. This important decision was made at the discussions that Mbamaso Obiang Ndongo, Equatorial Guinea's ambassador to the United Nations, held in New York recently with both the chairman and the secretary general of the OAS Permanent Council.

During the discussions, our ambassador expressed the Malabo government's desire to maintain and develop relations of economic and cultural cooperation with American states in accordance with the open door policy with the rest of the world launched by President Obiang Nguema Mbasogo after the historic date of 3 August 1979. It is a policy aimed at ending the economic, diplomatic, and cultural policy pursued for 11 years by the previous dictatorial regime.

This observer status granted our country by the OAS constitutes, among others, a success of the political and diplomatic policy of President Mbasogo and his government, the objective of which is the development of the nation in all sectors for a better Equatorial Guinea.

Ethiopia

Joint Follow-Up Committee With Djibouti Meets

EA1503082590 Addis Ababa in English to Neighboring Countries 1530 GMT 14 Mar 90

[Text] The second regular meeting of the Ethiopia-Djibouti joint follow-up committee on relations between the two countries opened in Addis Ababa today. The joint committee, led by the vice ministers of the two countries meets twice a year, alternately in Addis Ababa and Djibouti. The task of the follow-up committee is to strengthen the relations and cooperation between the two sisterly countries by executing the decisions of the Ethiopia-Djibouti commission.

EPLF Rebels Claim Relief Convoy Bombed

EA1403212390 (Clandestine) Voice of the Broad Masses of Eritrea in Amharic 1630 GMT 14 Mar 90

[Excerpt] Dergue warplanes attacked vehicles of the Eritrean Relief Association [ERA], which were carrying relief aid to the drought victims in South Seraye [south Eritrea]. In this bombardment, which was carried out against the ERA convoys [preceding word in English] for 25 minutes on 10 March 1990, one vehicle was hit.

Although the Dergue deploys warplanes daily to hinder the relief operation of the Eritrean People's Liberation Front and the ERA, the Dergue is unable to achieve victory. [passage omitted]

Tanzania

Joseph Warioba Reappointed Prime Minister

EA1403143890 Dar es Salaam Domestic Service in Swahili 1300 GMT 14 Mar 90

[Excerpt] Dar es Salaam—Today President Ali Hassan Mwinyi reappointed Comrade Joseph Warioba as the prime minister of the United Republic of Tanzania. A State House statement said that President Mwinyi will swear in the prime minister at 1700 today.

It is expected that President Mwinyi will announce his new cabinet tomorrow and swear in the cabinet later. [passage omitted]

Warioba Sworn in

EA1403194290 Dar es Salaam Domestic Service in Swahili 1700 GMT 14 Mar 90

[Text] Dar es Salaam—This evening, President Ali Hassan Mwinyi swore in Comrade Joseph Sinde Warioba as prime minister of the union republic, after reappointing him to hold the portfolio for the second time.

The Warioba swearing-in ceremony was held at Dar es Salaam State House and was attended by various government leaders, who included the chief justice, Comrade Francis Njalali, and deputy ministers.

President Mwinyi is expected to meet the press tomorrow morning at 11 A.M., where he will announce his new cabinet and later in the evening swear in the new ministers at a ceremony to be held at Ikulu.

Last Monday, President Mwinyi called on all ministers of the united republic to resign to allow the opportunity to form a new Council of Ministers.

Cabinet Reshuffle Announced 15 Mar

EA1503113490 Dar es Salaam Domestic Service in Swahili 1000 GMT 15 Mar 90

[Text] Dar es Salaam—President Ali Hassan Mwinyi today announced a new Cabinet. In it, seven ministers have been removed from office, while others have been transferred to other ministries. Four ministers have been appointed as ministers of state in the office of the president. They are Paul Bomani [former minister of local government], who will be assigned special duties; Comrade Kighoma Malima, minister of state responsible for the planning commission; Comrade Jackson Makweta [former minister of agriculture] will be minister of state in charge of defense; Comrade Fatumah Sa'id Ali is minister of state for manpower development [formerly for civil service].

The office of the prime minister will have two ministers of state: Comrade Charles Kileo [formerly minister of state for regional development] and Comrade Anna Makinda. The office of the second vice-president will have its former minister of state, Comrade Muhammad Sayf Khatib.

Comrade Rashidi Mfaume Kawawa will remain a minister without portfolio.

The Ministry of Finance will be headed by Comrade Steven Kibona [formerly minister of communications and works].

Ministry of Industries and Trade: Comrade Cleopa Msuya [former finance minister]

Ministry of Agriculture and Livestock Development: Comrade Stephen Wasira.

Comrade Anna Abdullah, formerly minister of state for capital development will now be minister of local government, social welfare, cooperatives and marketing.

Comrade Marcel Komanya [former deputy education minister] will be minister of lands, natural resources and tourism.

Minister Benjamin Mkapa retains the Foreign Ministry portfolio, while the Ministry of Home Affairs will be headed by Comrade Nalaila Kiula, formerly Mbeya regional commissioner.

In the reshuffle, Comrade Amran Mayagila retains the portfolio of the Ministry of Education, while Comrade Charles Kabeho [former deputy agriculture minister] will be minister for health.

Other ministers who retain their posts are Comrade Joseph Rwegasira, the minister of labor, culture and social welfare, and Comrade Ahmad Hassan Diria, the minister of information and broadcasting.

The Ministry of Energy and Minerals has been merged with the Ministry of Water and is to be led by Comrade Jakaya Kikwete [former deputy minister of energy].

All deputy ministers retain their posts except Comrade Evarist Mwanansao [former deputy minister of natural resources], who will be deputy minister of agriculture and livestock development, and Comrade Rajab Umar Mbano, Kigoma MP, has been appointed deputy minister of local government, social welfare, cooperatives, and marketing, which is to be under the Office of the President. The minister of state in charge of the Ministry will be Mateo Qaresi.

The Ministry of Justice has been scrapped and the former minister, Comrade Damian Lubuva, will remain as MP and attorney-general.

All ministers appointed are requested to be at state house at 1500 today for a special function.

* Nyerere Discusses 'Ujamaa,' Party, Corruption

34000456 Dar es Salaam DAILY NEWS in English
22 Feb 90 p 1

[Article by Issac Mruma: "Ujamaa Shall Not Vanish in Tanzania—Nyerere"]

[Text] The CCM [Chama Cha Mapinduzi; Revolutionary Party] Chairman, Mwalimu Nyerere, yesterday dismissed as "absurd and ridiculous" suggestions that Tanzania's socialist policies would go with him.

In a wide-ranging press briefing for heads of the national mass media institutions and their principal assistants at his Msasani residence in Dar es Salaam, Mwalimu said Tanzania had a generation of people who valued Ujamaa (socialism) and were committed to that policy.

The Chairman said it was wrong to think that Ujamaa would be abandoned after all these years as it was not someone's ideology. "It is not out of vanity that I say this. Ujamaa has taken root in Tanzania", he explained.

During the meeting, Mwalimu briefed the media heads on the just-ended session of the CCM National Executive Committee (NEC) and answered questions on various topical issues. They included the political situation in Eastern Europe, socialist construction in Tanzania, one-party democracy, the proposed Investment Code and corruption.

Mwalimu explained that the Arusha Declaration on Socialism and Self-reliance, the one-party system and

Kiswahili language had contributed immensely towards ensuring unity and stability in the country.

The three gave the nation hope and identity, he said.

The Party Chairman and Tanzania's one-party system was rooted in the country's history. For example, he noted, the parties which challenged the then Tanu during the independence struggle on the Mainland ceased to function shortly after independence.

He cautioned that a party that had a monopoly of power could easily become complacent and even stagnate. CCM should avoid this by being active and closer to the people, he added.

Mwalimu said some of the CCM leaders were closer to their desks than to the people. "This is our main shortcoming", he told the journalists.

The Chairman recalled that CCM's predecessors—Tanu and ASP—had activists who spent most of their time with the people.

Asked whether abandoning the one-party system would threaten Tanzania's unity, Mwalimu explained that those opposed to multipartism could cite these to back their positions.

But if CCM were to give greenlight for the formation of many parties, then the parties should be national, secular and socialist in character.

The Chairman pointed out that although Tanzania had one party, it (CCM) embraced a wide spectrum of ideas.

Explaining the changes in Eastern Europe, the Chairman said it would be a mistake to dismiss them as having no impact on this country. The changes would have implications both in the West and the Third World.

On the Investment Code, Mwalimu said the objective should be the harnessing of potential human and material resources in Tanzania. The code should motivate local investors to invest their money in the country.

"We want a policy which first and foremost motivates Tanzanians to invest their resources here. After that we can then look outside the country", he added.

Mwalimu told the media heads that the debate on the leadership code would continue because there were some aspects which had to be relaxed.

He said Chama Cha Mapinduzi (CCM) marched with time and some of the provisions were unrealistic in view of prevailing economic and social reality.

Under the leadership code, first adopted in 1967 as the Arusha Resolution and later incorporated into the CCM Constitution to bind all members, Party members are not allowed to have shares in capitalist companies, to become directors of such companies, to earn more than one salary and to own houses for renting.

On corruption, the Party Chairman said the NEC had discussed a Government report on the problem which,

he said, was serious. The days when Tanzania used to be excluded from the list of African corruption countries were gone, he added.

He said the Party had decided it was not enough just to sit and lament. Action against the problem was needed.

The recent NEC session in Dodoma announced a strategy against corruption in which heads of parastatals where the problem was prevalent would be summoned before Party organs.

De Klerk To Visit Bophuthatswana's Mangope 16 Mar*MB1503160390 Johannesburg SAPA in English
1602 GMT 15 Mar 90*

[Text] Cape Town March 15 SAPA—President F.W. de Klerk is to visit President Lucas Mangope of Bophuthatswana on Friday [16 March], it was announced on Thursday.

A spokesman for Mr de Klerk's office said the subject of the talks had not been disclosed. Mr de Klerk would fly in to Mmabatho, capital of the nominally independent homeland, at about 10am and go by car to Mr Mangope's headquarters for the talks.

Mr de Klerk is due to fly back to Cape Town later on Friday, where he is due to hold a news conference.

Pik Botha Bill To Recognize Namibian Independence*MB1403155190 Johannesburg SAPA in English
1503 GMT 14 Mar 90*

[Text] Parliament March 14 SAPA—The time had come for tangible assistance to be provided for an independent Namibia by the international community and the United Nations, the minister of foreign affairs, Mr Pik Botha, said on Wednesday [14 March].

Introducing the Recognition of the Independence of Namibia Bill, Mr Botha said Namibia had been an onerous financial burden on the taxpayer of South Africa. The country's contribution to the budget of the territory, which in recent years exceeded R4 billion [rand], demonstrated the interest and commitment of South African in the well-being of the territory and its people.

The territory had also, for many years, been able to benefit from the vast, freely available technical knowledge of South Africa which had given rise to a relatively sophisticated infrastructure in the territory.

"I would wish to make a serious appeal to the international community to recognise the need for tangible assistance to be provided to Namibia as it joins the community of nations. It is now time for a commitment from the United Nations and the international community."

The solution to the Namibia question only came about when the United Nations Charter instruction requiring a peaceful settling of disputes was heeded. To achieve this, all parties concerned had to abandon the futile pursuit of selfish objectives through force and violence.

"Peace could not be achieved through the barrel of a gun which is the central theme running through the network of agreements comprising the settlement in southwestern Africa. It is a sobering lesson.

"It is the earnest hope of the South African Government that this fundamental concept, the commitment to

peaceful negotiation, would form the basis for resolving other conflicts in southern Africa and beyond.

"I would like to express the hope that what has happened in Namibia will serve as an encouragement to all the leaders in southern Africa to resolve the problems of the region in a peaceful manner."

[Johannesburg SAPA in English at 1518 GMT on 14 March adds in a similar report, datelined Parliament: "The Namibian peace process illustrated the triumph of negotiation between parties directly affected by a given problem over prescription from outside, the minister of foreign affairs, Mr Pik Botha, said on Wednesday.

"Introducing the Recognition of Independence of Namibia Bill, he said without the imposition from abroad of solutions which were not in the interest of the peoples of the region, the governments themselves proved they had the capacity to find the way to a peaceful solution.

"We have always believed the leaders of the region should be encouraged to determine their own future. South Africa has repeatedly called on the world community to recognise the rights of the inhabitants of the territory to determine their own future without intimidation or interference from outside.

"It is my impression that the whole of Africa welcomes the creation of peace in southwestern Africa and that a momentum has been created which can assist us in finding a peaceful resolution to the conflicts in Mozambique and Angola.""]

Inkatha's Buthelezi Delivers Policy Speech 15 Mar*MB1503140690 Johannesburg SAPA in English
1240 GMT 15 Mar 90*

[Text] Ulundi March 15 SAPA—KwaZulu Chief Minister Mangosuthu Buthelezi has called for an end to the political violence in the KwaZulu/Natal region, SABC [South African Broadcasting Corporation] Radio news reported on Thursday [15 March].

Delivering his policy speech in the KwaZulu legislative assembly, Mr Buthelezi asked how Inkatha could be expected to be involved in the politics negotiation while violence against its members continued.

Mr Buthelezi told members of the legislative assembly they had a significant role to play in the politics of negotiation of this country.

Referring to the Harare Declaration, the chief minister said it was surprising the African National Congress [ANC] had internationalised their party political position without any discussions with him or any other black leaders. He said this, however, should be left aside for Deputy ANC President Nelson Mandela to sort out.

Interviewed on 'Frankenstein' Unrest

MB1503143790 Johannesburg SAPA in English
1254 GMT 15 Mar 90

[By Joan Fubbs]

[Text] Ulundi Mar 15 SAPA—The perpetrators of violence in Natal had created a Frankenstein monster which had now gone out of control, said KwaZulu Chief Minister Mangosuthu Gatsha Buthelezi.

Harnessing the youth in a bid for political dominance by groups espousing liberation before education compounded with unemployment, insufficient housing and hunger among other socio-economic factors has given birth to a Frankenstein monster that now rampages out of control in the townships.

Chief Buthelezi, in an interview with SAPA this week, said violence had become endemic and there was no miracle cure for peace.

When leaders of prominent liberation movements stop giving their followers two messages then it may be possible for all those involved in the violence to create a climate for peace.

But as long as the African National Congress [ANC] and its affiliates...the UDF [United Democratic Front], COSATU [Congress of South African Trade Unions] and MDM [Mass Democratic Movement]...speak of maintaining the armed struggle and calling for continued economic sanctions it confuses their call for peace.

Dr Buthelezi said the personal friendship he had established with ANC Deputy President Nelson Mandela would certainly facilitate and understanding of each others personal and political positions.

However, while I believe Mr Mandela is sincere in his desire to secure peace in Natal, I am not sure whether that view is shared by the exiled ANC leadership.

What is critical is whether Mr Mandela's convictions will prevail or whether he will be in the invidious position of advocating a line he does not personally share but because he regards himself as a disciplined member of the ANC he will uphold, Dr Buthelezi said.

He said it was recognised by all involved in the violence in Natal that socio-economic factors were as important as the political issues.

Hence economic sanctions and international political isolation are directly linked to the causes of violence in Natal.

He welcomed a meeting with the ANC deputy president which Mr Mandela himself had expressed the need for on his return from his overseas visit. Our political philosophies are different...I could never agree to economic sanctions, international isolation, and an armed struggle. The principles that guide my and Inkatha's attitudes and actions is the firm belief in a now-racial

multiparty state in which everyone shares in the generation and benefits of a free enterprise systems. So it is important for us (ANC and Inkatha) to agree to disagree and to cooperate on mutual issues in the liberation struggle.

He said the root cause of the violence in Natal was the system of apartheid that had prompted some members of the once non-violent ANC to adopt the armed struggle, to call for economic sanctions, and now even international isolation.

However, I can never be party to a philosophy that puts ideology before the welfare of my people. Sanctions has only aggravated unemployment, pressurised the health and welfare services, and ensured that our people bear the brunt of its negative effects. I believe in investment of every kind: economic, human and political. This can only be achieved through international economic investment, diplomatic dialogue and internal negotiations which I have always pursued.

He said acknowledging that apartheid was doomed was a major step by the nationalist government.

But it must be buried now before the festering can of worms it has given birth to turns our country into a political and economic wasteland.

My message to all liberation movements is: Don't turn your dreams into a political desert. Unite in our final phase for liberation; division will only promote delay.

Sisulu Comments on Negotiation Problems

MB1503051090 Johannesburg SAPA in English
2329 GMT 14 Mar 90

[Text] Cape Town, Mar 14, SAPA—South Africans had reached "a crucial phase...where the battle for the nature of the future democracy is being fought," ANC [African National Congress] stalwart Walter Sisulu said on Wednesday [14 March] night.

He was speaking at a graduation ceremony at the University of the Western Cape where his daughter, Nonkululeko Sisulu, was among graduates.

Mr. Sisulu said there were clear signs that the "ruling/privileged groups are mobilising their intellectual resources to plan and dig the new trenches from which to defend themselves and their grip on our lives and wealth."

"These forces are not going to abdicate from the position of power. Nor are our people going to establish their rights easily."

The past six months, Mr. Sisulu said, had unleashed "a new and complex process of transformation in South Africa [SA].

"A process in which the democratic forces have to reorganise and restructure. Preparation has to be made

for the new forms of political struggles likely to unfold and new ideological and political tensions may arise.

"The battle between our rulers and ourselves will now be about the shape of the future SA. The ruling class may yet devise new methods to subvert our progress," he added.

"It is the concrete experiences of the present that will inform use of what is possible and necessary for the future.

"We cannot wait until liberation for the reconstruction process to take place. The changes which must and can be made to the existing system must be planned now and now through mass struggles and through development of our own projects.

"The apartheid system will leave any new democracy with an awesome responsibility in respect of the housing of our people," he said.

"The valiant struggles must be directed by strategic plans which will begin to lay the basis for the future and, at the same time, provide meaningful relief now."

Du Plessis 'Expanded Budget Review' Summarized

MB1403141790 Johannesburg SAPA in English
1402 GMT 14 Mar 90

[By Pierre Claassen]

[Text] Cape Town March 14 SAPA—The minister of finance, Mr Barend du Plessis, presented Parliament with a record budget which clearly redirects the economy towards a new South Africa [SA] in which blacks' historic backlogs are to be addressed.

He presented a budget in which the emphasis fell on politics rather than finance. His speech was laced with the recurring themes of "restructuring" or "structural adjustments", and he identified "past discriminatory practices" and "restrictions" as having contributed to backlogs still to be found in certain fields and affecting black people in particular.

Apart from increased spending on social welfare and education he announced the creation of a special R2 billion [rand] fund to wipe out the backlogs and also gave the SA Police and nursing professions boosts at the expense of the defence force, as expected.

Setting out the broader objectives in an expanded budget review, he said it was in everybody's interest that a more acceptable and better balanced situation with regard to living and other standards should come about in South Africa.

Poverty would need to be addressed directly.

Job reservation and its restrictions had retarded black peoples progress and earning capacity for more than 20 years.

A main element in the political reorientation was evident in the reduction in defence spending, reflecting the cessation of hostilities northwards and the emphasis on improved policing to contain the increasing violence, political and criminal.

Mr du Plessis also delivered on election promises to reduce personal tax, cutting R4.530 billion by way of concessions and rebates from the tax revenue account, thereby increasing the total tax burden by only 4.3 per cent in real terms.

The main thrust however remained the addressing of inequalities which was aimed at anticipating the demands for economic redress at a future negotiating table.

"The South African economy must be restructured to raise the standards of life of the whole South African population," he said in setting out broad economic policy strategy.

High priority would have to be given to the pressing socio-economic questions of poverty, housing backlogs, inadequate education and training, illiteracy, basic health needs and a host of other problems blocking the road to participation in the economy and to progress.

Tax relief for the man in the street, businessmen, married women and the aged came in a variety of modest yet helpful concessions which to some extent simplified and rationalised the tax system along the guidelines of the Margo Commission.

Particular benefits were announced in the field of interest and dividends with exemptions ranging from the scrapping of undistributed profits tax and the double taxation dividend income to the creation of a "safe haven" system whereby profits on shares sold after 10 years would be untaxed.

The only salary increases over the announced 10 per cent non-pensionable allowance increase to civil servants was earmarked for the police and for structural adjustments in lower salaried echelons, especially in black education and training.

Increases in taxation included company cars and low-interest or interest free loans. For cars, the taxable value was pushed up from 50 to 75 per cent while the loan interest rate used for taxing the two categories of loans was increased from 16 to 19 per cent.

Import surcharge was reduced by approximately a third but customs and excise duties raised the prices of beer (1c per 375 ml bottle), spirits (1c per tot or 25.2c per 750ml bottle), cigarettes, cigars and tobacco (2c per 10 for cigarettes and 20c per kg for the rest) and fortified wines (1.8c per 750ml bottle).

Income Tax Policy Noted

MB1403145890 Johannesburg SAPA in English
1151 GMT 14 Mar 90

[Text] Parliament March 14 SAPA—The man in the street paid 36.6 per cent, or R2,190 billion [rand], more in income tax in the past year than was budgeted for, the minister of finance, Mr Barend du Plessis, said on Wednesday [14 March].

In his budget review, an expanded version of the budget speech, he said that income tax on individuals formed an estimated 31 per cent of total tax revenue for 1989/90, while tax on companies was as low as 21.8 per cent of the total.

He also said the revised estimate of expenditure for the year was R65,181 billion, an increase of 1.8 per cent over the estimate of R64,017 billion.

If the contingency reserve was added, as provided for in the main budget, the increase was only 0.3 per cent.

The revised estimate represented an increase of 16.5 per cent over spending for the previous year, which was significantly lower than the growth of 17.9 per cent in both the preceding two years.

Mr du Plessis said total tax revenue for 1989/90 was estimated at R61,385 billion—R6,317 billion more than the R55,068 billion originally budgeted for and an increase of 27.7 per cent over the collections for 1988/89.

It was important to emphasise, however, that the exceptionally high additional revenue, which was of a non-recurrent nature, had not been spent, and had therefore not meant a relaxation of discipline over expenditures.

The most important factors contributing to under-estimation of individual income tax were that salary adjustments in the private sector were higher than expected, and that the degree of fiscal drag on present tax brackets was underestimated. Another was that tax collections were more effective as a result of the introduction of site.

Still another reason was that the bulk of tax assessments dating from before 1988/89 were disposed of in 1989/90. Since these arrears assessments related to periods before site was in operation, large sums were involved.

Mr du Plessis said companies' good profit performance meant an increase in estimated revenue from non-mining companies of R1,500 billion over the budgeted amount.

Because of higher production costs and a decline in the grade of ore milled, tax on gold mines would be R204 million less than budgeted. But because of a revival in platinum, copper and coal markets, tax on other mines, including diamond mines, was estimated to exceed the budgeted sum by R452 million.

Estimated collections from the import surcharge, which was increased in May 1989, could be R2,600 billion—twice the budgeted amount.

The sustained high level of fuel consumption meant that estimated collections from this source would be R240 million higher than budgeted.

Other noteworthy increases above the budgeted amount were to be found in stamp duties and fees, marketable securities tax, departmental operations and interest and dividends.

Mr du Plessis said that exceptional circumstances had contributed to the under-estimate of total tax revenue in 1989/90.

A further analysis of income tax showed that individuals and non-mining companies contributed on average respectively 23.1 per cent and 23.4 per cent to total tax in the 1970s.

Since 1983/84 however income tax on individuals had invariably been over 28 per cent of total tax revenue, and for 1989/90 it was estimated at close on 31 per cent.

In the case of non-mining companies the situation was the reverse.

For all companies, including mining companies, the average contribution to total tax revenue in the 1970s was 32.5 per cent.

Since 1987/88 it had been below 25 per cent and for 1989/90 was estimated at as low as 21.8 per cent.

SAPA Reports Compiled

MB1403175490

[Editorial Report] Following is a compilation of reports monitored from Johannesburg SAPA in English on 14 March on Finance Minister Barend du Plessis' "budget review" address to Parliament on 14 March.

All reports datelined Parliament; SAPA transmission time follows each entry. **SPENDING 'PRIORITIES,' TAX 'ADJUSTMENTS'**—"A fresh look would have to be taken at the re-arrangement of spending priorities within the various government functions, the minister of finance, Mr Barend du Plessis, said on Wednesday [14 March].

"In a detailed budget review expanding on his budget speech he said the government's strategy to contain inflation would yield good fruit over the long term such as job creation but, short term, would contribute to higher unemployment levels. This could mean that attention would also have to be paid to structural adjustments such as a labour strategy and a reinforcing strategy for the unemployed.

"Setting out long term fiscal policy goals, he said that expenditure would give special attention to social services and the alleviation of poverty and the creation of infrastructure in stagnating areas.

"On the revenue side, adjustments were needed not only on the level of the total tax burden but still more on the distribution of this burden. The government remained committed to a systematic reform of the tax structure.

"There was a need to broaden the existing tax base which required that tax concessions, rebates and expenditures be eliminated or reduced as far as possible. It was important that all taxpayers received equal and just treatment and that greater emphasis be laid on indirect tax and less emphasis on direct tax.

"The government would continue to focus on its tax reform policy over the long term on the supply, or production side of the economy. It would endeavour, over five years, to reduce the marginal rate on married individuals from 45 per cent at R80,000 [rand] to 40 per cent at R100,000 as far as possible at 1989 prices with corresponding adjustments through brackets.

"Tax on companies would be reduced to 40 per cent provided and to the degree that tax concessions were eliminated and the effective rate thus increased." (0948)

BILL ON REGULATING, SUPERVISING BANKS—
"A bill allowing for the regulation and supervision of banks and building societies in a way more adaptable to the dynamic environment in which they operated would be tabled in Parliament this session, the minister of finance, Mr Barend du Plessis, said in his detailed budget review, an expansion of his budget speech.

"The measure would be the Deposit-Taking Institutions Bill, which would consolidate the existing Banks Act and (Company) Building Societies Act. It would incorporate the traditional aims embodied in existing legislation.

"In drawing up this legislation the authorities had taken note of the emergence of new credit instruments in the financial markets, which increased the risk exposure of financial institutions, and of the fact that inequitable competition between banks and building societies still remained. They also had recognised the fact that greater international attention had been paid to, and cooperation achieved in, the supervision of deposit-taking and related institutions to protect their solvency and liquidity and ensure fair international competition.

"In view of the changes in the traditional functions of discount houses, provision would be made in the proposed bill for the phasing-out of the investment channel facilities which they offered to banks and building societies. These took the form of call money deposits which enjoyed liquid asset status.

"The discount houses would be given the option of registering as deposit-taking institutions in terms of the proposed legislation.

"These changes had implications for the Reserve Bank's future implementation of its accommodation policy, which supported monetary policy.

"Mr du Plessis also said that legislation for the creation of a board to supervise financial institutions other than deposit-taking institutions, as recommended by the Van der Horst Committee, would be tabled at this session." (0949)

SOCIAL SERVICE EXPENDITURES—"In this year's budget, almost 40 per cent of total expenditure would go to social services—this amounted to about 10 percent of the GDP, the minister of finance, Mr Barend du Plessis, said on Wednesday.

"In a review expanding on his budget speech, he said this calculation was done prior to the allocation of the improvement in the conditions of service. The figure was much higher than might be expected of South Africa at this stage of her development, especially if international comparisons were taken into consideration.

"But the present priority, as well as priorities which both had and would be given to social services, and more particularly the reduction of backlogs and socio-economic development, could not simply be measured against such comparisons.

"The focus would increasingly have to be on correct spending priorities within individual social functions such as education, health, housing and welfare if backlogs were to be effectively reduced.

"Success in the socio-economic development was obviously not only determined by the volume of funds, but also by the quality and purposefulness of programmes, the effectiveness of expenditure, the minimalisation of duplication in the provision of services, and so on.

"State expenditure had to be controlled at micro level not only to ensure its regularity, but also its effectiveness. Control at this level could also not be the responsibility only of the minister of finance; it was a collective responsibility devolving upon the whole government, and thus on every manager in the public sector.

"Mr du Plessis said about 60 per cent of the budget took the form of transfers, including subsidies; and the fact that this portion would grow more slowly than total budget spending in 1990/91 indicated that the message of discipline over spending had also found a place on the other government levels.

"The planned small real decline in central government expenditure for 1990/91 represented a continuation of the hard-won expenditure discipline achieved in 1989/90 in the form of a very small overshoot of the main budget and a relatively small real increase in total expenditure compared with 1988/89." (1026) **PENSIONS TO INCREASE—**"Police salaries, social, civil, military and occupational disease pensions were to be

increased, the minister of finance, Mr Barend du Plessis, announced in presenting a R72,932 billion budget on Wednesday.

"In his budget speech, he said that the lowest paid public servants also deserved attention, that health services were under investigation and that education was receiving the largest slice of the budget cake.

"The budget was an 11.9 per cent increase on the revised expenditure of last year and gain included a R1 billion contingency reserve for unforeseen expenditure.

"An amount of R2,233 billion was included for the vote: improvement of conditions of service for all public servants. This included the already announced non-pensionable allowance on basic salary as well as additional improvements being introduced to address specific bottlenecks regarding the police, nurses and other law enforcement personnel on a differentiated basis.

"The position of the lowest-remunerated groups of employees of the state also deserves attention," the minister said. "The salary dispensation for these categories of employees is being investigated with a view to making structural changes." More details on these adjustments would be given by the minister for administration and economic coordination in due course.

"There would also be a one-off amount of R50-million provided for universities and technikons to enable them to finance adjustments.

"In dealing with his expenditure proposals, Mr du Plessis first pointed out that curtailed defence expenditure as announced in December last year would bring a considerable real decline although the precise impact would only emerge after a few years. "The release of funds that previously were necessarily devoted to defence purposes, should improve the ability to address socio-economic development questions as part of the programme of restructuring."

"The government placed a premium on an efficient well-motivated police force, a precondition for orderly reform and stability. "It is realised by the government that the police are burdened by a severe shortage of manpower and resources at the moment. It is recommended therefore that an additional amount be set aside for specific salary adjustments for the police." This formed part of a package for the improvement of conditions of service.

"He also proposed that a non-recurrent R100 million be made available for the purchase of badly needed equipment.

"Education was receiving almost 19 percent of the budget, excluding the recent improvements to conditions of service. It had to be given an important role in the process of economic development and upliftment and enjoyed the largest single allocation in the budget, making it comparatively high by international standards. In acknowledging this important role a R150 million

non-recurrent amount was being voted mainly for capital expenditure in black education and training in areas where backlogs were most severe.

"An urgent investigation into health services was underway.

"A non-recurrent amount was being voted to the development corporations (R40m for homelands and R60m for small business).

"Both social and civil pensioners experienced a drop in the purchasing power of their pensions in an inflationary environment," he said. He was making provision for R596.9 million (R25 per month per pensioner) increase to social pensions, R7.0 million (10 per cent plus 1.5 percent per year of retirement) for civil pensions, R12.6 million (general 10 per cent increase) for military pensions and R1.4 million (general 10 per cent increase and removing disparities) for occupational diseases pensions." (1129)

STATE EXPENDITURE, DEFICIT—"The revised estimate of expenditure and revenue produced a deficit before borrowing for 1989/90 of R3,796 billion, the minister of finance, Mr Barend du Plessis, said on Wednesday.

"He said in his budget review, an expanded version of his budget speech, that the surplus after borrowing was R6,970 billion.

"Expressed as a percentage of GDP, the deficit before borrowing was only 1.5 per cent, which was appreciably below the goal of an average three per cent accepted in the government's long-term economic strategy.

"Capital expenditure to be financed from the budget was estimated at 2.2 per cent of GDP, which meant that in this year no current expenditure would be financed by borrowings—or, in other words, that there was no dissaving by the central government.

"The sharp fall in the deficit before borrowing came largely from the abnormally high tax collections, which had led to an estimated increase in the ratio of tax to GDP from 23.1 per cent in 1988/89 to 24.9 per cent in 1989/90, while it was also appreciably higher than the average level for the 1970s and the 1980s.

"The government's view was, however, that the elimination of dissaving should preferably occur via expenditure reduction and not by the route of higher taxation.

"The small deficit before borrowing did not therefore necessarily indicate that the goal set in this regard had been reached in a structural sense.

"After provision for loan redemptions, the estimated gross financing requirement for 1989/90 came to R8,861 billion. Under normal circumstances this would represent the full amount the state would need to borrow.

which would mean additional public debt costs. "Two important moves had, however, prevented such an outcome in 1989/90.

"Firstly, there was the net income from the privatisation of ISCOR [South African Iron and Steel Corporation] and the SA mint of R3,005 billion. After the financing of certain additional expenditure the remaining funds, as the government had announced, would be used to redeem the public debt. The interest saving for the taxpayer here was some R500 million. The government secured this result by reducing the financing requirement directly, to the extent of the privatisation income. This produced an adjusted and smaller financing requirement of R5,856 billion. In this way interest obligations for financing requirements settled at a lower level than would otherwise have been the case, which in turn enlarged the scope for specific tax proposals for 1990/91.

"Secondly, the total loan receipts were, under the influence of open-market operation conducted for stabilisation purposes, more than double the adjusted financing requirement.

"The final outcome was a surplus after borrowing of R6,970 billion.

"In further transactions, also for stabilisation purposes, an additional R1,8 billion was raised, which had been paid straight into the government's stabilisation account at the Reserve Bank." (1127) **NEED FOR 'DEVELOPMENT-ORIENTED' APPROACH**—"Pursuit of a development-oriented approach in South Africa, with its special problems and circumstances, placed a heavy responsibility on the state, the minister of finance, Mr Barend du Plessis, said on Wednesday.

"He said in his budget speech this approach required that a framework be created and maintained within which both local and international entrepreneurs would be ready to take risks and invest personal assets, thereby creating new work and wealth.

"It also demanded appropriate and properly co-ordinated policy execution by the authorities within a framework of economic strategies lending themselves to the greatest possible degree of predictability and stability." (1202) **MINING INDUSTRY TAX CONCESSIONS**—"Tax concessions for the mining industry were announced in the budget by the minister of finance, Mr Barend du Plessis, on Wednesday.

"The government had accepted various recommendations of the technical committee on mining taxation (the Marais Committee) and steps were being taken to implement the first phase.

"The mining industry played an important role as earner of foreign exchange and a creator of jobs. It was therefore essential to encourage the industry by gradually lowering the maximum marginal tax rate which could presently be as much as 68.7 per cent.

"The following concessions would be made:

"—The second step in the phasing-in of a lower tax formula for gold mines and in the phasing out of the surcharge on other mines;

"—The partial lifting of the so-called 'ring-fencing', which means that 25 per cent of the tax base of an existing mine could be used to write off a new mines development costs in cases where both mines were the property of the same taxpayer; and

"—The increase of the existing capital allowance for new gold mines from 10 to 12 per cent.

"These concessions would result in a total estimated revenue loss of R68 million in 1990/91." (1308) **LOWER IMPORT SURCHARGES**—"Import surcharges were to be lowered immediately and the 20 per cent ad valorem duty on jewelry scrapped, the minister of finance, Mr Barend du Plessis, announced on Wednesday.

"He said in his budget speech that the scrapping of the duty was aimed at promoting job creation and expanding the jewellery industry, especially with a view to promoting the export of beneficiated South African mining products.

"Reimposition of the duty would be considered if after three years the results proved unsatisfactory in relation to these goals.

"The loss of revenue from this concession was estimated at R37 million for the coming year.

"Differential surcharges on imports of 60, 20, 15 and 10 per cent were introduced as a temporary measure in August 1988 and revised in May 1989. As a first step in the phasing-out process it had been decided to lower these rates by about one third to 40, 15, 10, and 7.5 per cent respectively. This would mean a loss in revenue of R835 million.

"Mr du Plessis said in his budget review, an expanded version of the speech, that although the present ration of gold and foreign exchange reserves to average monthly imports was still much lower than the ration of 3:1 considered a comparatively safe one, the surplus on the current account of the balance of payments rose from R2,9 billion in 1988 to R4,1 billion in 1989.

"It was estimated that the surcharge would yield about R2,6 billion in 1989/90 as against R1,876 billion in 1988/89.

"While in theory an import surcharge should discourage imports, this large yield indicated that SAS [expansion unknown] surcharge had failed in its primary purpose of drastically cutting imports. What was more, it had a cost-raising effect on the economy, and had also given unintended additional protection to certain local industries, incurring the danger that dependence on such protection would become entrenched.

"It was against this background that the cut in the rates was being announced.

"It was confidently hoped that commerce and industry would pass on the consequential price reductions of these changes and that the consumer council would be able to play a role here." (1332) **1990/91 STATE EXPENDITURE, REVENUE**—"After taking into account supplementary budget proposals and the contingency reserve, the total expenditure and revenue for the 1990/91 financial year was R72,932 billion and R64,938 billion respectively, the minister of finance, Mr Barend du Plessis, said on Wednesday.

"He said in his budget speech the estimated deficit before borrowing was, therefore, R7,994 billion or 2.8 per cent of the estimated gross domestic product. In this way the structural deficit before borrowing, which was extremely small in 1989/90 was kept low.

"Loan redemptions would amount to about R3,8 billion during the 1990/91 financial year, which brought the adjusted financing requirement to about R11.8 billion. It was proposed to finance this amount mainly from the sale of domestic stock of R11,250 billion, which included investments by the public investment commissioners.

"Although stock to the value of about R2 billion had been sold in advance and the remaining borrowing requirement of R9,250 billion should not exert undue pressure on the capital market, it might not be possible to relax monetary policy in the foreseeable future.

"Stabilisation goals might, on the other hand, also require corrective measures should the relatively modest borrowing programmes of the state and other public institutions, together with other market forces, exert a downward pressure on interest rates too early." (1354)

Reaction To Speech 'Favorable'

MB1503091090 Johannesburg Domestic Service
in English 0500 GMT 15 Mar 90

[Text] Mainly favorable reaction has been received from political and business circles to the budget presented in Parliament yesterday by the minister of finance, Mr. Barend du Plessis.

The Conservative Party said South Africans were still overtaxed despite the concessions announced by Mr du Plessis. The party's finance spokesman, Mr. Casper Uys, said that although the concessions on personal income tax were to be welcomed, it did not compensate for the large taxation increase that had resulted because of inflation. He added that the 10-percent increase in social pensions was totally inadequate.

Describing it as a good budget, the Democratic Party spokesman on finance, Mr. Harry Schwartz, said expenditure was being cut back and at the same time the socio-economic objectives that were so important in the new South Africa were being achieved. However, Mr. Schwartz said the increases granted to pensioners were inadequate.

The Labor Party [LP] said it was pleased that 40 percent of the budget was for addressing socio-economic problems and that 19 percent of this was for educational needs. However, it also criticised the increases for pensioners. The LP spokesman on finance, Mr. Les Abrahams, said he felt that the increase of 25 rands a month was inadequate. Mr Abrahams said housing problems also needed to be addressed with more urgency than had been the case up to now.

The two major parties in the House of Delegates have welcomed the budget. Solidarity spokesman on finance, Mr. Kisten Moodley, said the provision of 19 percent of the budget on education was a welcome move. He also endorsed the high priority placed on the provision of housing. However, he said it was disappointing that the exchequer did not deem it expedient to raise pension grants to more than 25 rands per person. He welcomed the concession to married women.

Mr. Abraham Joosab of the National People's Party described the budget as a disciplined step on fiscal and monetary management but not stimulatory. He said the positive features overshadowed certain deficiencies. He welcomed the 50-percent increase in the public housing budget, the increased allocation to the police force, and the increase from 1,000 to 2,000 rands of interest income exempted from tax.

The vice president of the Chamber of Mines, Mr. Clive Knobbs, said that in general terms it was a very positive budget. He said as far as the mining industry was concerned there were many positive features such as the reduction of import surcharges, increased capital allowances on new gold mines, and the fact that profits on the sale of mature investments held by the mining houses would not be taxed. Mr. Knobbs welcomed the removal of a tax surcharge on nongold operations and said that it was encouraging to see that there would be some relaxation in ring fencing [situation in which 25 percent of the tax base of an existing mine could be used to write off a new mines development costs in cases where both mines were the property of the same taxpayer].

The president of the South African Agricultural union, Mr. Nico Kotze, has described the budget as a reasonably balanced one that will benefit the man in the street and the less privileged section of the population. Mr. Kotze said that as an integral part of the economy, agriculture would benefit from measures designed to stimulate economic growth. However, he said that from an agricultural point of view it was disappointing that surcharges on equipment and spares essential to agriculture had not been phased out earlier. It was also disappointing that they had not been phased out completely.

The president of the National Association of Automobile Manufacturers of South Africa [NAAMSA], Mr. Spencer Stirling, said the budget as a whole could have a moderately stimulating effect on the economy. However, he

said that he viewed with the utmost concern the proposed increases on fringe benefit taxation of company-owned cars. While NAAMSA supported the principle of taxing fringe benefits, the budget had appeared to overlook that the taxation of a company-owned car was designed to value and tax only the private usage of a company car.

University authorities have welcomed the move in the budget to make 50 million rands available to universities.

The rector of the University of Stellenbosch, Professor Mike de Vries said that the money was a tremendous relief for this year.

The registrar of the University of Cape Town, Mr. Hugh Amooore, said that it would enable the university to meet salary increases for academic staff.

Official Assesses FRG, Polish Trade Talks

MB1203215090 Johannesburg International Service in English 1115 GMT 12 Mar 90

[From the "Africa South" program]

[Text] The South African deputy minister [title as heard] of trade, industry, and tourism, Mr. Kent Durr, has just returned from a visit to Germany and Poland, where he explored possibilities for trade and tourism between South Africa and Central Europe. Douglas McClure reports:

[Begin recording] [McClure] Mr. Durr said that on his visit he had met with several ministers and deputy ministers, leading bankers, and senior officials. They had held intensive discussions relating to economic relations and trade between the two countries, as well as the financing of trade and the development of the great potential that exists for tourism.

Mr. Durr pointed out that the new united Europe of 1992 was already adopting strict product standards and liability laws, and that South Africa would shortly be aligning her own products' quality control and standards to meet the new criteria. Assessing his visit, he said:

[Durr] (?Countries) like Poland, Hungary, the GDR, Czechoslovakia, these countries of Central Europe are countries which are industrial countries that are now normalizing their situation with the Western trading community, and we are part of that Western trading community. We are Western Europe's most important trading partner in the southern hemisphere, and we occupy particular niches in that trading relationship, where we are either a dominant player or an important player.

It is those niches which would interest businessmen in Central Europe in terms of raw material supplies, in terms of certain consumer goods which are not available

in that part of the world. There are certain raw materials, which are well known to you, that only South Africa supplies.

At the other end of the scale, let us say there are no tropical (?woods) in that part of the world, and a whole spectrum in between, of raw materials, different foods, manufactured goods, and so on.

They, on the other hand, have got a sort of intermediate technologies, and they have particular skills (?which) are quite important. I mean, you think of Poland, it's one of the world's, or Europe's, major shipbuilding countries, for example, and as such they are major consumers of steel.

They have a very developed chemical industry. They have a very developed aircraft industry. They have a fairly well-developed electronics industry, and so on.

[McClure] Referring to South Africa's trade with the rest of Africa, Mr. Durr added:

[Durr] Let me say that we in South Africa are globalizing our trade. In Africa we've expanded over the past period rapidly. As a matter of fact, last year Africa took 32 percent of South Africa's total manufactured exports. We have opened offices in Africa. We have got an Africa desk in my department that is looking to develop further our links in Africa.

And we are globalizing our trade in South America. We are looking at particular opportunities, we are looking at opportunities in Asia, and we are looking at opportunities in Europe, in Europe, with our traditional markets, where we are seeking to make arrangements like you've heard this morning, with 1992. We've got many activities going to ensure that we maintain our market share and our standing in Europe.

As you will know, some of you, I have had discussions (?quietly). In the last year I went out and I went to discuss with Mr. Andriessen, Mr. Bangemann. I am the first South African minister that they ever received officially on the whole question of Europe 1992. [end recording]

East European Immigration Requests Increase

MB1003050590 Johannesburg SAPA in English 2231 GMT 9 Mar 90

[Text] Johannesburg March 9 SAPA—More than 8000 Hungarian and Romanian citizens have applied during the past week to emigrate to South Africa, SABC [South African Broadcasting Corporation] TV news reports.

The sudden increase was apparently initiated by an article in the Hungarian daily 'WEST', which described South Africa in a positive light.

Restrictive economic conditions in Hungary and Romania were the reasons many people wanted to emigrate, according to people queuing at South Africa's Vienna Embassy.

People also apparently noted they did not want to live longer under a communist regime.

More Than 15,000 Apply in Vienna

*AU1403131290 Paris AFP in English 1215 GMT
14 Mar 90*

[Text] Vienna, March 14 (AFP)—More than 15,000 Hungarians have applied at the South African Embassy here for immigration papers, an embassy spokesman said Wednesday [14 March]. About 2,000 a day were making the trip to the Austrian capital. The spokesman said only about 10 per cent had a chance of being accepted, such as engineers, physicists, chemists and other highly qualified people.

The first inquiries came in January when Pretoria's Foreign Minister Pik Botha visited Budapest, the first South African minister to go to a Warsaw Pact country. By the end of February 1,500 Hungarians and 3,500 refugees from other Eastern bloc states had applied. The numbers soared a week ago when a Hungarian magazine reported that South Africa would meet 80 per cent of transport costs for immigrants and give substantial help to settle.

Immigration Policy To Entice Hong Kong Workers

*HK0903023790 Hong Kong SOUTH CHINA
MORNING POST in English 9 Mar 90 pp 1, 2*

[By Richard Vines]

[Text] The South African Government will today relax its immigration policies to attract professionals and skilled workers from Hong Kong.

Mr Peter Botha, South Africa's consul-general in Hong Kong, last night told the SOUTH CHINA MORNING POST from Pretoria—where he has been finalising details of the package—that the regulations will take effect today.

People with the required skills will now be able to obtain approval to immigrate from Hong Kong within a couple of weeks. Previously, they had to obtain employment before applying to immigrate, and then faced a wait of about six months for approval.

Pretoria is also easing rules in a separate immigration category for the wealthy. People in this category qualify to immigrate if they have 200,000 rand (HK\$600,000 [Hong Kong dollars]).

Previously, such would be immigrants were required to detail their investment plans, but now they will not even be required to transfer the money to South Africa.

However, if they do transfer their money they will be able to do so via the financial rand, which offers a favourable rate of exchange.

Immigrants are entitled to citizenship after residing in South Africa for five years.

Mr Botha said there is no pre-set limit for the number of immigrants from Hong Kong, and he said he did not know how many applications to expect.

A chief director of immigration, Mr Mike Bester, is due to arrive in Hong Kong from Pretoria today to help assess the response and process applications.

He will initially be in the territory for about three weeks, and an immigration officer may be based here permanently if there is a flood of applications.

South Africa has drawn up a list of five job categories it is seeking, including engineers, technicians and computer personnel. But the list spans a whole range of occupations, from nuclear physicists to toolmakers.

Mr Botha said, "We are experiencing an acute shortage of manpower, especially people with technical and entrepreneurial skills, so I made representations to the South African Government last August to reconsider its immigration policies in Hong Kong".

"This package was developed for Hong Kong, not for immigration from East Europe or the Americas, but it will apply worldwide."

Mr Botha denied that South Africa was trying to cash in on the brain drain from Hong Kong, or capitalise on fears about the Chinese takeover in 1997.

"We are not trying to create a flood of immigrants from Hong Kong to South Africa," he said. "We are just trying to help, and find a place for people who want to leave."

"We would like to see a strong Hong Kong after 1997, but the reality is that a lot of people are wanting to leave, and we have been receiving more and more inquiries and we would rather they were going to South Africa than the United States, or Canada.

"We are not going round saying you've got to leave Hong Kong. We are saying, if you want to leave, consider South Africa.

Mr Jaap le Roux, the South African consul in Hong Kong, said that in 1988 the consulate issued only four permanent residence permits, one of them to a Westerner. Last year, the total dropped to two, but the number of inquiries soared after the June 4 massacre in Beijing.

He said that the consulate has 70 applications on file, and inquiries have again risen sharply since the release from prison last month of the African National Congress (ANC) leader, Mr Nelson Mandela.

Mr Le Roux said the consulate has received more than 200 inquiries in the past three weeks.

Mr Botha rejected a suggestion made by ANC's chief representative in Japan, Mr Jerry Matsila, who said during a visit to Hong Kong last week that Chinese who immigrate to South Africa now will face possible hostility from the black majority there.

"I don't think Mr Matsila is in touch with the situation. From statements emanating from Nelson Mandela and the ANC in South Africa, I'd say there's an absolute mood of reconciliation and trust," Mr Botha said.

The consul-general said he did not expect any hostility to new immigrants from Hong Kong.

"The Chinese community is a model community in South Africa: successful, well received and highly regarded. Most of the communities will welcome people from Hong Kong," he said.

Mr Matsila could not be reached at his Tokyo office last night for comment. Mr Eric Molobi, an activist who visited Hong Kong with Mr Matsila, could not be reached at his office in the South African township of Soweto.

The Hong Kong Anti-Apartheid group issued a statement saying: "Those who emigrate to South Africa while apartheid exists are giving comfort and support to that system.

"The time to consider going to South Africa will be when apartheid collapses, which appears imminent.

Mr Botha is due back in Hong Kong tomorrow, and will attend seminars being held tomorrow and Sunday to attract Hong Kong workers and investors. The anti-apartheid group is planning to lobby those seminars.

The consul-general said his government was encouraging the country's Chinese association to create a reception group that would help new arrivals from Hong Kong settle in South Africa.

There are about 15,000 Chinese in South Africa, mainly in Johannesburg and Port Elizabeth.

Official Comments on Denard's Stay in Country

*MB1203180090 Johannesburg SAPA in English
1547 GMT 12 Mar 90*

[Text] Pretoria March 12 SAPA—South Africa had received no formal request from the Comoros to extradite Col Bob Denard to stand trial there, a foreign affairs spokesperson, Miss Elsa Dry, said in Pretoria on Monday [12 March].

She was asked to comment on reports that the acting president of the Comoros Said Djohar, had said during the election campaign he hoped Col Denard would stand trial for the murder of his predecessor, President Ahmed Abdallah.

Miss Dry said the situation remained as defined by an agreement reached that South Africa would provide temporary residence for Col Denard until another arrangement could be made.

Acting President Djohar said Col Denard "cold-bloodedly murdered" President Abdallah.

According to Mr Djohar, the murderers were known although the reason remained hidden.

No finding of an official investigation into Mr Abdallah's death have been announced yet.

ANC To Consider Joining Commonwealth in Future

*MB1503112490 Johannesburg THE STAR in English
15 Mar 90 p 7*

[By Kaizer Nyatumba]

[Text] The African National Congress [ANC] would be prepared to consider a return to the Commonwealth once South Africa was a free, democratic country rid of apartheid, the organisation's publicity secretary, Mr. Tom Sebina, said yesterday.

However, the secretary-general of the internal wing of the Pan-Africanist Congress (PAC), Mr. Benny Alexander, said his organisation was inclined to take with a pinch of salt anything emanating from Britain.

The question of whether or not to rejoin the Commonwealth, Mr Alexander said, would have to be taken by a democratically elected constituent assembly once the country's problems had been resolved.

The two organisations were responding to speculation, following Queen Elizabeth II's Commonwealth Day message on Monday [12 March] that an apartheid-free South Africa could rejoin the Commonwealth.

South Africa withdrew from the Commonwealth in 1961 when Pretoria declared a republic.

Contacted in Lusaka, Mr. Sibina said: "Once the issue of apartheid is dealt with there should be no reason for South Africa not to rejoin the Commonwealth."

The ANC spokesman added that although no date had been set for the opening of the ANC's office in Johannesburg, it would be organised as soon as possible.

An internal committee dealing with the details is being headed by Mr. Walter Sisulu.

ANC Denies Responsibility for Violence

*MB0903174190 Johannesburg SAPA in English
1725 GMT 9 Mar 90*

[Text] Johannesburg, March 9, SAPA—The African National Congress [ANC] on Friday [9 March] denied it was in any way responsible for the current surge of unrest

sweeping the country, and said the root cause of the violence lay with the South African Government.

Internal ANC leader Mr. Walter Sisulu said the accusations being levelled at the organisation were "war talk," of the kind usually made when the government wanted to shift responsibility from its own shoulders for the crisis in South Africa.

"It is a reversion to the old approach of looking for scapegoats and hidden instigators to explain the resistance of people to apartheid.

"The primary reasons for the unrest, conflict and confrontation has always been the poverty and violence caused by apartheid."

Mr. Sisulu described the recent unrest in Ciskei, Bophuthatswana, Gazankulu and Venda as popular revolts against repressive dictatorships.

"We have welcomed this popular rejection of undemocratic tyrannies which have been imposed on our people. Our people were never consulted on the bantustan system.

"If these bantustan regimes want to test the will of our people this issue, we challenge them to hold a referendum. In particular we challenge Lucas Mangope of Bophuthatswana who claims to have overwhelming support for independence."

Mr. Sisulu said the ANC and its affiliates had repeatedly called for, and negotiated, peace in troubled areas. The congress deputy president, Mr. Nelson Mandela, had called emphatically for a end to the violence in Natal.

The ANC statements regarding violence in Katlehong, Gazankulu and Venda had reflected its commitment to peace.

"Any crackdown on our political activists and leadership can only fuel the already explosive situation.

"Mindless violence can never be equated with the disciplined armed struggle waged by the ANC against violence.

"We have consistently re-iterated that the ANC only embarked on the armed struggle to defend our people against the violence of apartheid. This remains the case even today.

"We therefore call on our people to conduct our mass struggle with maximum discipline and restraint. Our task remains to remove apartheid and replace it with democratic structures.

"We must act against the perpetrators of mindless violence and looting being stirred by agent provocateurs and criminal elements," said Mr. Sisulu.

News Agency To Consider Selling ANC Publications

MB0903182790 Cape Town CAPE TIMES in English
7 Mar 90 p 4

[Text] Johannesburg—The Central News Agency [CNA]—South Africa's giant book and magazine seller—would consider selling future publications of previously banned organisations only if they were economically viable, CNA circulation manager Mr. Steven Mertens said yesterday.

He believed, however, that the market was already flooded with political news by way of newspapers, magazines and television.

"If the PAC [Pan-Africanist Congress] or ANC [African National Congress], for example, wanted us to handle their publications, they would have to send them to us to see whether they were worthwhile on an economic basis," he said.

"But if they said terribly damaging things about South Africa and the brutality of the police, we would have to think twice."

Fair comment and normal political comment would be acceptable to the CNA, he said.

Shops were already becoming a bit crowded with publications, he added, so the magazines of political organisations would have to be looked at and, if they had the right price, would be considered.

"We're always prepared to look at new publications," he added.

Malan Reportedly Kept CCB 'Secret' From De Klerk

MB1103085390 Johannesburg SUNDAY STAR in English
11 Mar 90 p 15

[Article by Patrick Bulger: "Malan Kept De Klerk in the Dark"]

[Excerpts] "Playing open cards" does not come easily to Defence Minister Magnus Malan.

General Malan let it be known this week that was what he wanted to do, claiming he had learnt of the SADF's [South African Defense Force] Civil Co-operation Bureau [CCB] only in late November last year.

But what he has not explained, and what political observers say is inexplicable anyway, is the fact that he kept the existence of the CCB a secret from State President F.W. de Klerk for more than a month after this.

This meant that Mr de Klerk, under intense international and local pressure over the hit squads, was making

vital decisions and policy statements unaware of the sensational allegation that his own army was linked to the scandal.

Among these decisions was Mr de Klerk's refusal, on December 7, to appoint a commission of inquiry into the hit squad claims.

Instead—from late November to early January—General Malan initiated his own inquiry into the CCB, in particular to investigate its links to the killing of Wits [University of the Witwatersrand] academic David Webster.

If Dr Webster's killers could have been found, Military Intelligence Chief Rudolf "Witkop" Badenhorst told the Harms Commission of Inquiry in Pretoria this week, it was felt this would take the pressure off President de Klerk.

But General Malan still kept Mr de Klerk in the dark, even after the SUNDAY STAR had reported on December 3 that its investigations had shown a link between Military Intelligence and the killings of Dr Webster and SWAPO [South-West African People's Organization] lawyer Anton Lubowski. [passage omitted]

In early January—a full month after he says he had learnt of the CCB and the disquieting allegations about its role—General Malan finally informed Mr de Klerk of its existence. [passage omitted]

P.W. Botha Reportedly Plans Political Comeback

MB1103092590 Johannesburg SUNDAY TIMES
in English 11 Mar 90 p 1

[By Lester Venter]

[Text] Embittered ex-president P.W. Botha is seeking to return to active politics, according to a well-placed political source.

And he may speak out against President F.W. de Klerk's reform policies.

Suggestions that the Groot Krokodi [Great Crocodile]—the nickname given Mr Botha because of his relentless pursuit of opponents—might make a comeback sent a shudder through senior National Party ranks in Cape Town this week.

His plans, still cloaked in mystery, are known to only a few. But reports that he may come out of retirement to "seek a role" in public life even appeared in a respected British newspaper this weekend.

Telephone inquiries to Mr Botha's seaside home at the Wilderness were met with responses that the ex-president was not available to comment on the reports.

And when a reporter telephoned the home of the Conservative party [CP] leader, Dr Andries Treurnicht, to

seek confirmation that the ex-president had been talking to the CP, Mrs Treurnicht consulted her husband, who is ill, and replied:

"Mr Botha must speak for himself."

Mr Botha, who left the country's top office amid bitter recriminations last year, has had at least one hush-hush meeting with right-wing politicians this month, according to a source.

His account of the meeting holds that Mr Botha said he was in good health (he suffered a stroke last year) and was contemplating a role in the political arena.

According to this account, Mr Botha did not indicate his intention to join the Conservative Party or any other established political organisation.

The impression he gave, rather, was that he was consulting a range of people to explore the possibility of a return to politics—and how he should do it.

Mr Botha, said the account, had made it clear that he was utterly opposed to the policies initiated by his successor, President de Klerk.

According to this account of the meeting, Mr Botha said he "would never have handed the country to a black government".

This week prominent figures in the CP denied that the party had been in consultation with Mr Botha.

The CP's deputy leader, Dr Ferdi Hartzenberg, said he had last met Mr Botha in the Christmas holiday season—and Mr Botha had told him he was reconciled to being out of politics.

A comeback by Mr Botha would be a stunning turn-about—but would have symbolic, rather than practical, effects since the ex-president no longer commands a large personal following in the country.

If, however, he should publicly side with those opposed to Mr de Klerk's reforms, the President's already difficult position would be exacerbated.

President de Klerk's audacious reform programme is already under severe reactionary pressure from right-wing whites, on one hand, and black violence on the other. Stirrings by the Groot Krokodil are things he can do without.

The account of Mr Botha's moves comes amid undercurrent reports in political and diplomatic circles that a hand full of National Party MPs are concerned at the rapid development of events following Mr de Klerk's bold initiatives.

The possibility of their deserting to the CP is, however, firmly ruled out by informed observers.

Nevertheless, there are anxieties that Mr Botha could, by exercising the political cunning for which he was known,

garner some of Mr de Klerk's supporters and establish a political bloc between the President's initiatives and the CP's advocacy of a return to old-style apartheid.

Organized Labor To Meet Manpower Minister 15 Mar

MB1403182290 Johannesburg SAPA in English
1640 GMT 14 Mar 90

[Text] Johannesburg March 14 SAPA—A draft agreement on proposals for changes to the contentious Labour Relations Act had been prepared for consideration by constituencies of the negotiating parties, SACCOLA [South African Consultative Committee on Labor Affairs], NACTU [National Council of Trade Unions] and COSATU [Congress of South African Trade Union], it was announced in Johannesburg on Wednesday [14 March].

In a media statement Mr. Marcel Golding of COSATU denied media reports that agreement had been reached by SACCOLA and the unions on mutually-acceptable labour legislation.

This is not absolutely correct. What does exist is a draft agreement on proposals for interim changes to the Labour Relations Act which must still be referred back to the constituent organisations of the trade unions and SACCOLA.

Mr Golding said a COSATU/NACTU delegation would meet Manpower Minister Mr Eli Louw in Cape Town on Thursday for talks on what they considered a satisfactory labour dispensation for South Africa.

The meeting would be the first of its kind between a political representative of the state and organised labour, he said, adding it would also be to impress on Mr Louw that the refusal or reluctance of the commission of administration and the public sector to participate in the negotiations between the unions and SACCOLA on acceptable labour laws was untenable.

Qwaqwa Commissioner General David Grewar Dies

MB1403182590 Johannesburg SAPA in English
1542 GMT 14 Mar 90

[Excerpt] Pretoria March 14 SAPA—The commissioner general of Qwaqwa, Mr David Grewar, died of a heart attack early on Wednesday [14 March] morning, in Cape Town.

A statement from the Department of Development Aid, in Pretoria, said Mr Grewar had been commissioner general of the territory since July 1, 1985. [passage omitted]

15 Mar Press Review on Current Problems, Issues
MB1503131390

[Editorial Report]

THE STAR

Economy Follows 'Sensible' Path—Johannesburg THE STAR in English on 15 March in a page 18 editorial affirms that the government's "goal" of laying the foundation for a "new economic order in South Africa" has been achieved. Although the "road to the new economic order has yet to be travelled" the vehicle "has been pointed in the right direction." "The South African economy is being steered irrevocably along a more sensible path."

BUSINESS DAY

Budget Plan 'Start' to Economic Growth—"For the first time in more than a decade, the Minister of Finance has presented to Parliament a Budget that seeks to match ends and means in a coherent national strategy aimed at long-term economic growth," observes the page 8 editorial in Johannesburg BUSINESS DAY in English on 15 March. However, BUSINESS DAY has "misgivings" with regard to the "continued high expenditure of more than R10bn [10 billion rand] on defence, when there is no visible enemy in sight," and to the "modest 5.7 percent increase in the police budget." Nevertheless, Finance Minister du Plessis "has made a start."

SOWETAN

Budget Addresses Need of Entire Nation—"For the first time in many years the Government has come up with a budget that addresses itself to the needs of the entire nation and not only a small section," remarks Johannesburg SOWETAN in English on 15 March in a page 6 editorial. While this was a "good" budget and "a clear indication that the Government is determined to steer the country to stability and equal opportunity," what will "convince" SOWETAN "are the allocations to the various education departments. Just announcing an increase is not convincing enough."

Teachers' Strike 'Regrettable'—A second editorial on the same page says it is "regrettable" that after being hailed for their decision to return to work, teachers have decided to resume their strike. "The political climate, particularly what has been happening in the East Rand, is such that the creation of a climate of instability can only ripen the situation for an outbreak of what we all fear."

Angola**Gove Dam Reportedly 'on Verge of Collapse'***MB1403211290 Luanda ANGOP in Portuguese 1930 GMT
14 Mar 90*

[Text] Luanda, 14/03 (ANGOP)—An official source said the Gove Dam, in Cunene Province, is showing serious signs of being on the verge of collapse following recent sabotage carried out by UNITA [National Union for the Total Independence of Angola].

A team of experts who assessed the situation on site said the collapse is imminent and would cause a wave of about 2.5 million cubic meters of water.

The experts say that, should this happen, it could have catastrophic consequences, particularly to Namibia's economy.

Based on the principle of state succession, Angola and Namibia have been holding talks to establish a new legal basis for the joint exploration of Cunene River's water resources under the terms of international law.

The Gove Dam is one of the works forming part of the first phase of the utilization of the Cunene Basin. The dam was built under the terms of an agreement signed between South Africa and Portugal on 21 January 1969.

The experts say huge financial resources are required to resume the works, but Angola is unable to provide them. Accordingly, Angola has requested technical, material, and financial assistance from the South African Government.

Correction to Savimbi Addresses Nation 13 Mar*MB1503061990*

The following correction pertains to the item headlined "UNITA's Savimbi Addresses Nation 13 Mar," published in the 14 March Sub-Saharan Africa DAILY REPORT, pages 20-21:

Page 21, second column, paragraph nine, second sentence make read: ...democratic multiparty system. Everything delaying these developments will be criminal and reflect backwardness.

Because the war has intensified, including the use of chemical weapons, which were condemned by the Geneva Convention of 1925. [sentence as heard]

We would also like to reiterate our position regarding Portugal. Portugal must not shirk its moral responsibility to help Angola find peace, national reconciliation, and real democracy.

My visit to Portugal allowed me to experience the profound ties linking our peoples. Absence has only

nurtured and strengthened our true friendship. However, it has to be said that only two free and truly democratic countries can have sister peoples.

To all men and women in uniform: This is the highest point in our history. Let us act decisively to save our fatherland. There are times in history when everything is owed to a few. (?I am) one of those few upon whom Angola places many expectations.

Angolan people: We must carry out concrete actions to support every effort for peace and national reconciliation in Angola.

This is the 24th anniversary of UNITA's creation. I would like to conclude by quoting President Abraham Lincoln in a call on all UNITA militants, men and women in uniform, and Angolan people: If we do not make common cause to save this good old ship of the Union on this voyage, nobody will have a chance to pilot her on another voyage. May God save our fatherland. (supplying passage lost through break in transmission)

Madagascar**Ratsiraka Urges Support for De Klerk, ANC***EA1403142690 Antananarivo Domestic Service
in Malagasy 1600 GMT 13 Mar 90*

[Excerpts] Malagasy President Didier Ratsiraka, his wife and his delegation are back in Antananarivo after attending Mauritius' national day celebrations yesterday. [passage omitted]

President Ratsiraka inspected a guard of honor and went to the V.I.P lounge where reporters were waiting for him. Reporters were allowed to ask [words indistinct]. [passage omitted]

[Begin recording] [Unidentified reporter] Mr. President, in Mauritius you talked about [words indistinct] our cooperation with South Africa. Do you personally think that apartheid will be abolished soon in South Africa? Are the statements you made based on that thought? [passage omitted]

[Ratsiraka] On the issue of South Africa, I express hope, not thoughts—hope for the end of racial discrimination, apartheid. Furthermore, I say that help should be given to both President Frederik de Klerk and the African National Congress [ANC] and other militants, so as to prevent others from seizing the opportunity to spark tribal conflicts between blacks, or between whites and blacks, or between whites, with the goal of concluding that the present situation is not good and it is better to return to the previous situation. That is my hope, and I pray that this will end and the situation in South Africa will be stabilized, so that we can have economic, trade, and even cultural and scientific relations with South Africa, as during the past 15 years we have been experiencing hard times.

It is true some African countries have experienced more hardship than us, for they have known deaths, the division of families, ravaged towns, imprisonment. However, we have been experiencing burdens and hardships because we have not had direct relations with South Africa commercially or economically, or in the technological sector, even though the possibility for commercial, economic technological relations with South Africa existed. We did not do this because of our solidarity and cooperation with the black militants, whose very existence bears witness to the presence of apartheid in South Africa. So, if such [words indistinct] ends, we may not reach paradise—as there is no paradise on earth—but we may have proper relations with South Africa, which is our neighbor, and which needs much of our wealth, just as we need much of their wealth. [passage omitted] [end recording]

Mozambique

President Chissano's Meetings in Washington Noted

Cohen 'Very Cautious' on Peace Plan

MB1403195490 Maputo Domestic Service
in Portuguese 1030 GMT 14 Mar 90

[Report by Teodosio Mbanze, from Washington]

[Text] When we asked Herman Cohen, U.S. assistant secretary of state for African affairs, after his meeting with President Joaquim Chissano on the reaction of the so-called Renamo [Mozambique National Resistance] after receiving a seven-point document from the United States about the Mozambican peace process, Herman Cohen said he could not comment.

However, he expressed his belief that direct talks between the Mozambican Government and the so-called Renamo are now possible, adding the U.S. seven-point document may play a role in the process.

What mysterious seven points lurk in the U.S. plan to justify Herman Cohen's decision not to comment? The U.S. assistant secretary of state for African affairs seemed to me to be very cautious, because those points did not appear to coincide with the views of U.S. Ambassador to Mozambique Melissa Wells.

She told Iain Christie in an interview with Radio Mozambique's international service a few days ago that a recent edition of a foreign publication alleges the U.S. seven-point plan states:

1. There must be a peaceful resolution to the conflict, and all attacks on civilians must cease;
2. Democracy in Mozambique is based on freedom of expression, association, and economic interest;
3. Every Mozambican citizen has the right to participate in the nation's political, social, cultural, and economic life and help define national policies;

4. The Mozambican people are sovereign and have the right to make decisions on their government;
5. National reconciliation and unity must be the peace process' guiding principles;
6. Every side must recognize the legitimacy of the People's Republic of Mozambique, its Constitution, institutions, and fundamental laws; and
7. Fundamental change to Mozambique's existing order must be peacefully and democratically introduced.

I would also like to remind you that, before meeting Herman Cohen, President Joaquim Chissano received Mrs. Jewel LaFontant, U.S. roving ambassador for refugee affairs.

After meeting Herman Cohen, the Mozambican head of state met U.S. AID Acting Administrator Mark Edelman and Peter de Vos, former U.S. ambassador to Mozambique, and, finally, with the African diplomatic corps to Washington.

The Mozambican leader told the African diplomats he was having a very good visit to the United States, adding he had received great support from President George Bush.

The Mozambican head of state also noted the United States is having a more positive participation in efforts for change in southern Africa.

He said that the situation remains difficult in Mozambique; the people still feel the armed bandits' cruelty. President Joaquim Chissano also said there are issues that cannot be discussed by groups or imposed by one group upon society.

As an example, he cited the revision of the Constitution. He said our authorities believe this issue must be discussed by every citizen so we have a Constitution reflecting the interests of all Mozambican people.

U.S. Daily Interviews Chissano

MB1403200290 Maputo Domestic Service
in Portuguese 1045 GMT 14 Mar 90

[Report by Machado da Graca]

[Text] President Joaquim Alberto Chissano expressed optimism on the Mozambican peace process in an interview with THE WASHINGTON POST.

President Chissano said the Mozambican Government wants that process to normalize the lives of all Mozambicans. This means Renamo [Mozambique National Resistance] elements can, if they wish, join the Mozambique Armed Forces after the war.

The Mozambican head of state said the proposal for revising the Constitution offers more favorable ground for that kind of integration. However, he believes debates on the form of integration should take place first.

Turning to the need for normalizing our lives, President Joaquim Chissano told THE WASHINGTON POST

Renamo elements may be received as brothers, or even as friends, after a peace accord. However, President Joaquim Chissano expressed great concern about Renamo leader Afonso Dhlakama's statement that his forces are not to blame for massacres in Mozambique.

President Chissano said if the Renamo leadership did not order the massacres that means it does not have control over its forces. The Mozambican head of state asked: If Renamo says it blocked the routes between Maputo and the north, does that mean it did not destroy passenger cars and trains?

The Renamo leadership's possible lack of control over its forces causes grave concern about the future and is an issue to be discussed at the talks.

The Mozambican head of state said he hopes to be briefed by Zimbabwean President Robert Gabriel Mugabe and Kenyan President Daniel arap Moi, the mediators, leading to direct talks.

Turning to the demand for recognizing the Mozambican institutions as a precondition for that meeting, President Chissano says that is because the talks should be held in an atmosphere of order and peace. He stressed this does not mean the existing law and order cannot or will not be altered, adding the Mozambican Government itself is moving toward change.

Mocumbi: Date To Be Fixed for Talks

*MB1503072590 Maputo Domestic Service
in Portuguese 0500 GMT 15 Mar 90*

[Text] Foreign Minister Pascoal Manuel Mocumbi has said direct talks between the Mozambican Government and the so-called Renamo [Mozambique National Resistance] will begin as soon as a date is fixed.

He said this during an interview with Voice of America in Washington. Foreign Minister Pascoal Mocumbi is part of the presidential team currently on an official visit to the United States. The visit is scheduled to end today.

Yesterday, President Joaquim Chissano held meetings with influential politicians and businessmen, as well as with the Mozambican community in Washington. The Mozambican head of state also met with Herman Cohen, U.S. assistant secretary of state for African affairs, and the African diplomatic corps in Washington.

Chissano Concludes Visit 15 Mar

*MB1503114590 Maputo Domestic Service
in Portuguese 1030 GMT 15 Mar 90*

[Report by Teodosio Mbanze, from Washington]

[Text] President Joaquim Chissano's official visit to the United States ended at 1600 local time. The official farewell ceremony in honor of the Mozambican head of state was held at Playhouse at 2300.

The ceremony was attended by the following U.S. figures: Secretary of State James Baker; U.S. Ambassador to Mozambique Melissa Wells; and Herman Cohen, assistant secretary of state for African affairs.

After the farewell ceremony, the Mozambican delegation moved to the Madison Hotel, where the rest of the presidential delegation had stayed since arrival.

President Chissano's private visit to the United States has been characterized by a schedule full of meetings. The Mozambican head of state has already met with Frank Ferrari, deputy chairman of the Afro-American Institute; Mozambicans residing in the United States; and the executive committee of the Mozambique Support Group in the United States.

President Joaquim Chissano leaves Washington today at 1830 for London. However, until then, he will hold a small lunch with the members of the National Press Club, followed by a meeting with a group of Congressmen, and then an encounter with Mr. Hertz, assistant director of the International Monetary Fund.

The Mozambican head of state is expected to attend a luncheon at 1200 at the invitation of THE WASHINGTON POST newspaper's editorial body.

Before leaving for London, President Joaquim Chissano is expected to grant two interviews: One to the Voice of America and the other to the NBC [National Broadcasting Company], a U.S. television company.

I would like to take this opportunity to report on issues discussed at the 13 March delegation talks and which neither president mentioned to the press.

A Mozambican source has disclosed our country asked for U.S. support to develop agriculture, train cadres, and to build low cost housing. Cadre training support could mean 200 Americans would be sent to Mozambique and Mozambican students would go to the United States. The source said this request for cadre training support was made because of our country's needs in the fields of education, health, and management.

Low-cost housing support was requested because those houses might benefit the education sector, for example.

It should be noted that, although there has not been formal economic cooperation between Mozambique and the United States so far, Mozambique is the largest recipient of U.S. aid in sub-Saharan Africa.

In concrete terms, U.S. annual aid to Mozambique totals \$110 million divided as follows: \$26 million for the emergency program; \$37 million for food aid; \$14 million for the private sector; \$20 to \$25 million for the transportation sector; and other aid channeled through nongovernmental organizations.

Namibia

Water Officials Want Angolan Details on Gove Dam

MB1503095190 Johannesburg SAPA in English
0943 GMT 15 Mar 90

[Text] Windhoek March 15 SAPA—Officials of the Namibian Department of Water Affairs were trying to contact their Angolan counterparts on Thursday [15 March] to get more information about the reported possibility that the Gove Dam on the Cunene River was in danger of collapsing after sabotage by UNITA [National Union for the Total Independence of Angola] rebels.

Secretary of water affairs Mr. Pedro Maritz said he had only heard about the threatening collapse of the dam wall through the media and was trying to obtain more details, but he was having difficulties contacting Angola.

The Angolan news agency ANGOP reported earlier that 2.5 billion cubic metres of water would be released if the dam wall broke.

The Gove Dam is about 600km south of Luanda and its collapse would pose a serious threat to several villages in the Huile Province of Angola.

UNITA has denied knowledge of the sabotage.

If the dam collapses, it would hamper plans between Namibia and Angola to rehabilitate the Calueque Dam and Ruacana hydro-electric scheme and to improve the supply of water to northern Namibia.

Negotiations about rehabilitation started last year and it was expected to provide a major economic boost to the Owambo region of northern Namibia.

The plan involved trading Namibian technical expertise for water from Angola after the Calueque Dam had been repaired. Along with the Gove and other dams, this dam plays a major role in stabilising the Cunene to provide a constant flow at Ruacana.

The Ruacana scheme was built by the Portuguese and South African colonial administrations, but it functioned way below capacity in recent years because of war damage to storage dams higher up the river, which made power generating subject to seasonal variations in the height of the Cunene.

Swaziland

Prime Minister Treated for Illness in South Africa

MB1503085890 Mbabane THE TIMES OF
SWAZILAND in English 15 Mar 90 p 1

[Text] Prime Minister Mr. Obed Dlamini is in South Africa where he is receiving treatment for an undisclosed sickness.

The Prime Minister has been absent from office for the past two weeks. He missed his first official engagement when he failed to attend a leadership breakfast hosted by the Churches of Swaziland at the La Casserole Restaurant in Mbabane.

The breakfast was to launch the ongoing revivals service in Mbabane.

Mr. Dlamini is a committed Christian whose absence at the service was immediately noticeable.

The Prime Minister was also missing at the beginning of business for the House of Parliament.

Zambia

Kaunda Opens Fifth National Convention 14 Mar

MB1403201290 Lusaka Domestic Service in English
1800 GMT 14 Mar 90

[Text] President Kaunda has said that humanism [words indistinct] of Zambia's economy was set out to fight and protect citizens from the evils of exploitative international capital and (?exclusive racist action).

He said Zambia has suffered poverty and the greed of exploitative capital, which has stolen resources and threatened permanent damage to the country's prospects for development.

Addressing the fifth national convention, at Mulungushi International Conference Center, in Lusaka, this morning, Comrade Kaunda said unless the nation succeeds in organizing itself to hold at bay such evils, development prospects will continue to suffer heavy damage. He said despite the country's political independence and its efforts to develop, the evils are very active, adding that the nation must continue to isolate and fight them politically with all the means available. Comrade Kaunda said humanism carries with it a full and unqualified commitment to human rights, making the philosophy inconceivable without such commitment.

Zambia has expressed willingness to study the democratic system in Switzerland, with a view to strengthening her own setup. President Kaunda told the fifth national convention in Lusaka today that he hoped the party and its government will send a delegation to Switzerland to learn how the Swiss run their democratic system, especially at local government level. He said Zambia has already built a firm foundation of decentralization, but what remains is its implementation. President Kaunda observed that the 21st century will usher in a new era of dynamic politics, stressing that Zambia cannot be allowed to lag behind.

The Zambian press has been commended for representing the will of the people. Speaking at the same function, Comrade Kaunda said although the Zambian press is mainly under the party and its government, the people have used the media to express their views

without hindrance. He said although there was freedom of press in Zambia, which sometimes is a terrifying experience to see how wide [words indistinct] editorial opinions or ordinary letters to the editor have [words

indistinct] Conrade Kaunda pointed out that freedom of speech must be related to facts, warning that if Zambians overstretched irrelevant issues, the nation might be [words indistinct].

Benin

Prime Minister Nicephore Soglo Address 12 Mar

AB1403132290 Cotonou Domestic Service in French
1930 GMT 12 Mar 90

[Address by Prime Minister Nicephore Soglo in Cotonou on 12 March on the occasion of the presentation of members of his government—recorded]

[Excerpts] Mr. President of the Republic and head of state, honorable ladies and gentlemen, members of the High Council of the Republic, their excellencies the ambassadors and representatives of international organizations, ladies and gentlemen, thinking back once again, today, to the historic national conference of the active forces of the nation, and, especially, considering the success that crowned the deliberations, I would like to quote the Count of Mirabeau by saying that as of today, and in this place we begin a new era in the history of our country. All of us here, today, were present at that conference. And God, whether we called him Allah, Mawu, or Providence, had wished for its outcome. Our people had longed for it; the conference decided upon it; and you, Mr. President of the Republic, accepted all the implications involved when on 28 February 1990, before the entire Beninese people, you solemnly pledged to implement the sovereign wishes of these people, who have been insulted and humiliated, and who want to rise up again in dignity by taking their destiny into their own hands.

Certainly, this historic turning point, which our young nation was getting ready to make on 19 February 1990, rightly raised many questions, and brought about many legitimate agonies. Does the history of mankind, especially the history of the last decade, notably in Africa, not sufficiently show how fragile and perilous the passing from a regime—like that of Benin of yesterday, placed under the spotlight of a univocal ideology—to a democratic regime based on freedom, popular wish, respect of human rights, and tolerance, can be. And yet, here we are today at the threshold of a new page in the history of our people who have recovered all the hope they recently lost through the holding of the national conference of the active forces of the country.

That is why, I would like, first, to pay tribute to the entire Beninese people. I salute with great respect the courage with which they have been able to bear the sufferings and the abnegation with which they had made so much sacrifice. We hope to build a society where each and everyone will live happily. I would, in particular, like to pay them a special tribute for proving that it is not necessary to exterminate one another in order to operate the qualitative changes that all people must impose upon themselves at decisive moments of their history in order to chart a new course for their destiny.

The Beninese people have chosen the peaceful path of change so that a new dawn may arise in our country. This

choice, Mr. President of the Republic, you largely contributed to, and I would very sincerely like to say: thank you for the political courage that you had by taking the initiative to convene a conference of the active forces of the nation, and especially for the high sense of responsibility that you showed by solemnly pledging to implement the decisions of the said conference. And thanks to you, here we are again on the path to freedom without which it is difficult to establish lasting development. Is the greatness of a statesman not the ability to sacrifice his personal and immediate interests or those of a minority for the supreme interests of the sovereign people? You have been able to achieve this, Mr. President of the Republic, and our people, who do not easily forget, will ever remember that you were able to adapt yourself to your times. [passage omitted]

Mr. President of the Republic and head of state, honorable ladies and gentlemen, members of the High Council of the Republic, their excellencies the ambassadors and representatives of international organizations, ladies and gentlemen, we are inheriting a disastrous economy at an advanced stage of decomposition. No sector can stand on its feet, not even agriculture. The World Bank has estimated that the country will need a minimum of seven to 10 years to reorganize the fast decaying economy of which all indicators have reached the danger zone. But we have been given only 11 months to try to set the basis for redress, hence my initial reluctance to accept this post. Despite the difficulty in the task, or because of that, I pledge, with my team, which my extreme fatigue, precipitation, and tension prevented made it difficult to choose, to throw all the weight of our experience, our patriotism, and our efforts in the balance to achieve, within such a short period, concrete results that will enable us to consolidate the foundation of our young democracy. [applause]

Valiant people of Benin, in the face of the scope of task to be accomplished, I need the support and goodwill of all, whatever horizons from which they may come. In spite of your legitimate reserve, which I share, it is in the interest of the future of the nation. I don't claim to have a magic wand. Nothing can be achieved without the unity of all, without the work of all, and without discipline freely displayed by all. The time has come for us to roll up our sleeves. Benin has for generations put its know-how at the disposal of others. It has helped to make other places prosperous. The time has finally come to become prophets in our own country. We must work hand in hand with trust, unity, and total openness. Yes, openness will be the watchword for the next 11 months.

Although this is not a program of action speech, since we must attend to urgent things first, I would like outline in two points the major orientations of the government that I have the honor to lead. I have already outlined the first point which consists in consolidating the foundations of the young Beninese democracy. From there, we could then lay the basis for economic revival. This work, I repeat, should be the collective, patient, and vigilant work of all the children of this country.

Workers of Benin, you must therefore make your contribution by resuming work, notably in the financial sectors, to give us the strength and time to begin negotiations with our partners in development. Let us first try to save this academic year. The minister of national education will, to this end, organize, as soon as possible, a roundtable conference with teachers, parents, and a delegation of pupils and students. The government, on its part, pledges to do everything to pay up salary arrears and thereafter ensure their regular payment. [passage omitted]

Second, we are going to try to lay the basis for the economic revival in accordance with the decisions reached by the conference of the active forces of the nation through a reasonable implementation of the structural adjustment program, while at the same time trying, as much as we can, to mitigate its adverse social effects. My government is going to initiate negotiations with all our partners, foremost among which is France, to find the necessary financial resources for the success of the action initiated.

The experience we are going through and which, to some extent, may appear to be extraordinary, not to say revolutionary had this word not been prostituted so many times [sustained applause]—falls within the traditions and spirit of the Beninese people. We do not want to give lessons in this to anybody. We do not at all expect our experience to be exported beyond our borders. Rather, we hope to continue to maintain the best of relations with our neighbors and brotherly African countries. We shall continue to bring our modest contribution to the Entente Council, the West Africa Monetary Union, Air Afrique, the West African Economic Community, the Economic Community of West African States, the African Development Bank, and so on—in short, to all the inter-African organizations to which Benin belongs.

Your Excellencies, ladies and gentlemen, we are aware that on the threshold of the 21st century, no one can isolate himself in an ivory tower, and like the great economic communities which are being organized in the world, Africa should today more than ever before, work toward the regrouping of all its active forces, while waiting for conditions to be met which will be suitable for a confederation of countries of the subregion. There will, therefore, not be any withdrawal within ourselves. Nowadays, we live in a glass house, where nobody, not even the greatest countries, can do without the smallest of countries. The new government that I have the honor of leading will remain open to the world. And although we shall begin by relying on our own efforts, we will remain sensitive to any attention that would be kindly shown to us by friendly developed countries, from whose cooperation we hope to continue to benefit.

First and foremost among these friendly countries, I would mention France, our age-long partner. I take this opportunity to stress with delight French Prime Minister Michel Rocard's statement that France will give its

support to any people who take a step toward democratizing its institutions. We already know that we can count on the support of the Government of the United States of America, the Federal Republic of Germany, Switzerland, Italy, Great Britain, Canada, the Netherlands, Belgium, the Scandinavian countries, the USSR, Japan, China, and on the sympathy of the Arab countries and other Asian countries, Brazil and Argentina, not forgetting, of course, the EEC. [passage omitted]

I cannot end without fulfilling a pleasant duty, paying a debt, a tribute to one person who for nearly 30 years has been sharing my life, and who today, like yesterday, is still faithful at my side, giving wise counsel, judicious warnings, and surrounding me with an almost maternal affection and an unselfish love. What I want to say simply is that we can succeed, but we only have to get the type of faith that can remove mountains, and because we so wish, we shall win. I simply want to speak of Mrs. Rosine Soglo [his wife], who has been supporting me during this entire period when I was appointed to head the government of this country. [applause]

I would like to reserve my last words for Aime Cesaire, by quoting a passage from his "Tragedy of King Christopher": And that is why I must demand from the negroes, more than anybody else, more work, more faith, more enthusiasm—one step, another step, and still another step, and insist on gaining each step.

Long Live Benin! Long Live inter-African and international cooperation! Thank you! [applause]

Guinea-Bissau

Government Drops Plan To Join CFA Currency Zone

AB1403172590 Abidjan VOIX D'AFRIQUE in French
7 Mar 90 p 8

[Text] Guinea-Bissau, which in 1987 requested admission into the UMOA (West African Monetary Union), backed out last December because, in particular, of what the authorities described as the "gloomy situation" within that institution, which groups seven West African francophone countries (Benin, Burkina Faso, Ivory Coast, Mali, Niger, Senegal, and Togo) whose common currency is the African Financial Community [CFA] franc.

For the time being, the country is sticking to the monetary arrangement concluded with Portugal in March 1989 and which enables Portugal to ensure the convertibility of Guinea-Bissau's national currency, the peso. Also, Portugal has placed at Guinea-Bissau's disposal a credit line to strengthen Guinea-Bissau's exchange reserves. Thus, Guinea-Bissau can have regular foreign exchange reserves to import a number of consumer goods from Portugal. An agreement for a controlled and foreseeable parity rate exists between the currencies of the two countries, which have also adopted adequate

policies for currency management, the exchange, and the budget. This arrangement is to last for 20 years, renewable every five years by tacit agreement.

Ivory Coast

'Measures' Against Strike 'Troublemakers' 15 Mar

AB1403202990 Abidjan Domestic Service in French
1930 GMT 14 Mar 90

[Text] The government has just taken measures aimed at safeguarding peaceful workers against troublemakers and other tract distributors. Here is the statement to that effect read by Interior Minister Leon Konan Koffi on behalf of the government:

[Begin Koffi recording] For some days now, tracts have been distributed by some irresponsible authors calling on citizens to rise against measures envisaged by the government to redress the national economy. With suggestions of threats, these anonymous authors call on traders to close their shops and workers to stay home from work on 15 March 1990.

The government wants to assure the peaceful citizens that every measure has been taken to protect them and their properties. Security forces—police, gendarmerie, reinforced with the national army—have been instructed to see to it that the freedom of labor and the integrity of property and persons is respected, and generally ensure the maintenance of law and order. They will not shirk their duties.

Citizens can therefore freely go about their normal duties. The government calls on all to give their cooperation for the maintenance of peace and tranquility. [end recording]

Former Minister May Be Appointed Envoy to RSA

AB1403155590 Paris AFRICA INTERNATIONAL
in French No 225, Mar 90, p 10

[From the "Exclusive Reports"]

[Text] Former Information Minister Laurent Dona-Fologo is expected to be appointed the ambassador of the Republic of Ivory Coast to the Republic of South Africa [RSA] in the future. This appointment was allegedly only waiting for Nelson Mandela's release to be announced. It is expected to be major news, and the personality of the future diplomat would give additional weight to this decision.

Is there any need to recall that Laurent Dona-Fologo is the only African minister in office to go to South Africa on an official visit with his European wife in the 1970's? His appointment is to be a good and additional example of the continuity of President Houphouet-Boigny's policy in this field, as in many others!

Liberia

Syrians, Lebanese Wage 'Secret War' in Monrovia

AB1403162290 Paris AFRICA INTERNATIONAL
in French No 225, Mar 90, p 10

[From the "To Watch" column]

[Text] Liberian President Samuel Doe is increasingly dependent upon the influential leader of the Lebanese community, Roger Kassas, while the Syrians and Lebanese Shiites are waging a secret war in Monrovia.

Correction to Nimba Situation 'Confused'

AB1403180890

The following correction pertains to the item subheaded "Nimba Situation 'Confused,'" published in the 14 March Sub-Saharan Africa DAILY REPORT, page 27:

Page 27, first column, second paragraph, sentence seven, make read: ...So, Charles Taylor sold the people of... (changing word)

Same page, same column, same paragraph, same sentence, make read: ...Nimba for his foreign exchange by marketing the people's children.... (changing words)

Same page, same column, same paragraph, sentence nine, make read: ...go into hiding or run in the bushes of Nimba... (providing words indistinct)

Same page, same column, paragraph five, second sentence, make read: ...And this individual asked somebody in Nimba... (providing word indistinct)

Same page, same column, same paragraph, third sentence, make read: ...soldiers are in their thousands and that when they go they should not come back. Nothing is doing; our boys in the bush are trapped. So, from there... (changing words, providing words indistinct)

Same page, second column, third paragraph, second sentence, make read: ...[Doe] I expect people to come... (changing words)

Nigeria

Several Multinationals Barred From Exchange Market

AB1403174390 Dakar PANA in English 1606 GMT
14 Mar 90

[Text] Lagos, 14 March (NAN/PANA)—Several multinational companies are among 112 firms barred from the Foreign Exchange Market (FEM) by the Central Bank of Nigeria in Lagos on Tuesday, the "NEW NIGERIAN" a Nigerian daily reported Wednesday [14 March].

According to the paper, this action was taken against the companies their failure to submit shipping documents,

one of the several pieces of evidences to show that the foreign exchange they bought from the bank was actually used for imports.

The exchange control rules in force in Nigeria stipulates that, among other things, importers should submit to the central bank all shipping documents within 90 days.

According to the newspaper, the Nigerian central bank said that several reminders had been sent to the firms within the past year but that they refused to comply.

It said that prominent among the barred firms are the Federal Motors Ltd. and A.J. Sowards both of the United African Company (UAC), CFAO Nig. Ltd, Bata Nig. Ltd., Lever Brothers Nig. Ltd, and K. Chellarams and Dors Ltd.

Others include UTC Nig. Ltd, Chelttex, a division of Chellerams and sons Ltd, Nigeria Hoeschst, Dwiss Nigeria Chemicals and a group of some indigenous firms.

The paper said that the Nigeria central bank warned all authorised dealers in the foreign exchange market to desist from transacting business including transfer of funds in favour or on behalf of the affected firms until further notice.

Togo

Committees on Party System Begin Deliberations

AB1503072990 Lome Domestic Service in French
1230 GMT 12 Mar 90

[Government communique]

[Text] The five permanent committees, established on 27 February 1990 by the Central Committee to collect the views and suggestions of inhabitants of the prefectures and to reactivate the activities of the Rally of the Togolese People [RPT] after 20 years experience, start their deliberations today. The founding-chairman of the RPT, General Gnassingbe Eyadema this morning at the Presidential Palace received the leaders of the five committees and reminded them of the importance of the mission entrusted them. He first discussed the situation that prevailed in our country following the Armed

Forces intervention in 1967. It will be recalled that after the suspension of the Constitution, the ban on political party activities, and the dissolution of the National Assembly, a constitutional commission was charged with drafting a new constitution.

After the preparation of the new constitution, the head of state, in his 12 January 1969 address, authorized the resumption of political party activities. But the people's reaction was swift. The masses took to the streets; they no longer wanted parties, which had been the cause of their division, and they called for a rallying of the people and the reconciliation of all the sons of the nation. The head of state, who personally recommended the formation of at least two political parties, was forced to yield to the people's desire and reconsider his decision.

It was therefore in response to the aspirations of the people that our great national union party, the RPT, was created on 30 November 1969.

After 20 years, the head of state further stressed, we must stop and take stock of our achievements, take an inventory of our weaknesses and difficulties and set new goals for our common action in the service of the Togolese people. Since this work should not be done exclusively in the capital and within the party organs, it is our duty to go back to meet our people to question, and listen to our people and gather their views.

The head of state asked: Should we continue on the path of the Rally of the Togolese People or return to the multiparty system which our people rejected 20 years ago? Always at the service of the people and listening to them, the RPT will have to respond to their wishes. This is why, the head of state stressed, the work requested of the various committees touring the five economic regions of the country is of paramount importance. The Togolese people, who have attained great political maturity and who have already experienced a multiparty system, having gone through the RPT experience, will be in a position to choose in full liberty whatever path seems to them to be the most beneficial and to have the best prospects for the future.

Consequently, the head of state concluded, the committees have to carry out the assignment given them with seriousness and objectiveness, for the Togolese people are the sole masters of their common destiny.

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20 March 1990

